CITY COUNCIL AGENDA ITEM COVER MEMO

	Agenda Item Number
Meeting Type: Regular	Meeting Date: 8/23/2012
Action Requested By: <u>Legal</u>	Agenda Item Type <u>Resolution</u>
Subject Matter:	
Invoking letter of credit.	
Exact Wording for the Agenda:	
Resolution authorizing the Clerk-Treasurer to No. 2009-024VI Jones Park Subdivision.	o Invoke Worthington Federal Bank Letter of Credit
Note: If amendment, please state title a	nd number of the original
	_
Item to be considered for: Action Ur	nanimous Consent Required: <u>No</u>
Briefly state why the action is required; why provide, allow	
and accomplish and; any other information t	nat might be helpful.
Associated Cost:	Budgeted Item: Not applicable
MAYOR RECOMMENDS OR CONCURS: Yes	
Department Head	Date: 9/20/2012
revised 3/12/2012	Date: 8/20/2012

WHEREAS, Worthington Federal Bank issued a certain letter of credit (No. 2009-024), a copy of which is attached hereto and incorporated herein by reference, including any amendments thereto, in favor of the City of Huntsville, Alabama pursuant to Article 5 of the Subdivision Regulations for the City of Huntsville, Alabama; and

WHEREAS, the letter of credit is due to be invoked and the proceeds used in accordance with said subdivision regulations.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Huntsville, Alabama, that the City of Huntsville Clerk-Treasurer be and is hereby authorized to present for payment to Worthington Federal Bank Letter of Credit No. 2009-024, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 23rd day of August, 2012.

President of the City Council of the City of Huntsville, Alabama

APPROVED this the 23rd day of August, 2012.

Mayor of the City of Huntsville, Alabama



... defining convenience a different way

5/W JOT

September 8, 2011

Amendment to irrevocable Standby Letter of Credit Number 2009-024

Beneficiary: City of Huntsville, Alabama 308 Fountain Circle Huntsville, AL 35801

Applicant:
Ashtynn Manor Properties, LLC
500 Homewood Drive
Huntsville, AL 35801

RE:

Article 5 Sidewalks/Letter of Credit for VI Jones Park

Gentlemen:

We hereby amend our above referenced letter of credit as follows:

Expiry date extended to September 15, 2012

All other terms and condition remain unchanged.

Sincerely,

Worthington Federal Bank

Barry Bryan, Sr. Vice President

PRO 1311

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Progressive and innovative banking... Service exceeding your expectations IRREVOCABLE LETTER OF CREDIT

Beneficiary:

Account Party:

Bank:

City of Huntsville

Ashtynn Manor Properties, LLC

Worthington Federal Bank

P.O. Box 308

500 Homewood Drive

1015 Airport Dr. Ste 101

Huntsville, AL 35804

Huntsville, AL 35801

Huntsville, AL 35802

Subject:

Article 5 Sidewalks/Letter of Credit

For: VI Jones Park

Amount:

\$13,950.00

Letter of Credit # 2009-024

Issue Date:

September 15, 2009

Expiration Date: September 15, 2011

Gentlemen:

We hereby open our Irrevocable Standby Letter of Credit in your favor, effective September 15, 2009, for a sum not to exceed the aggregate of \$13,950.00. Available by your one or more drafts at SIGHT on us.

All draft(s) drawn under and in compliance with the terms of this Credit prior to the expiration thereof will be duly honored if drawn and presented for payment to Worthington Federal Bank.

Each draft must be accompanied by a statement signed by a representative of the City of Huntsville, Alabama, stating that the draw is being made pursuant to Article 5 of the Subdivision Regulations.

The original of this Letter of Credit must be presented with any drawing.

We hereby engage with you that drafts drawn under and in compliance with the terms of the credit will be duly honored upon presentation and delivery of the documents as specified.

This Letter of Credit shall be governed by the laws of the State of Alabama, including, but not limited to, the State of Alabama Upiform Commercial Code, as the same may be from time to time amended.

Marc Scarbrough, Sr. Vice President

9/14/09

Date: September 15, 2009

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